

Upper Ohio Navigation Project Project Update Inland Waterways Users Board Meeting No. 91

FOR Mr. Steve Fritz
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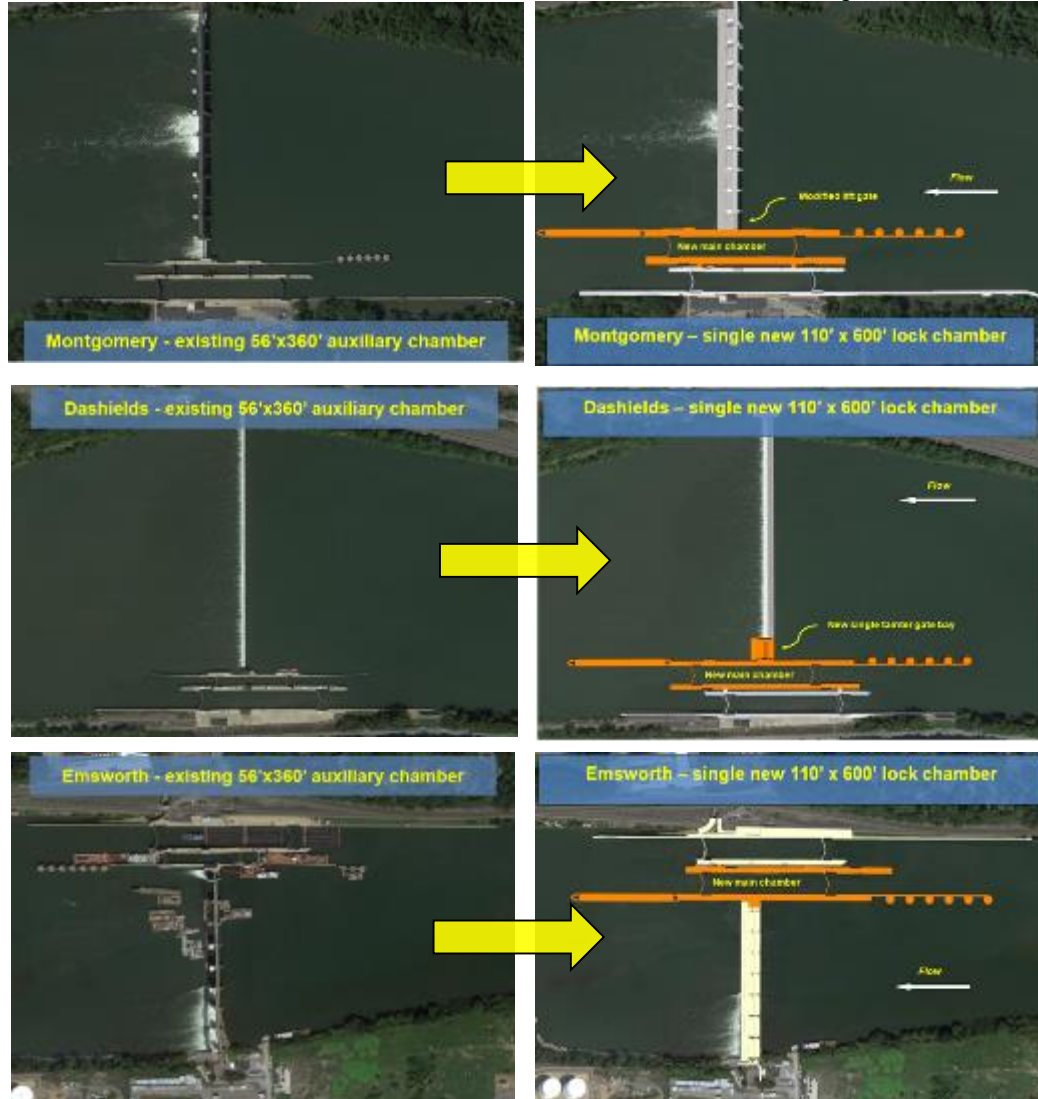
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Upper Ohio - Project Overview

Pre-Project

Post-Project



■ Major Project Features

- Similar work at Montgomery, Dashields, & Emsworth
 - Demolish the existing 56' x 360' Auxiliary Chamber
 - Construct a new 110' x 600' Main Chamber
 - Modifications to dams

■ Financial

- 902 Limit: \$2.29 Billion
- Fully Funded Estimate at Completion¹: \$1.81 Billion

1. Total Project Cost updated – January 2019. Value Engineering Study recommendations included in cost update reducing TPC from \$3.1B to \$1.8B.



Upper Ohio - Project Funding and Status

Current Project Estimate*1: \$1.81B	GI-PED	CG	IWTF	Total
FY17 Allocation:	\$5,525,000	-	-	\$5,525,000
FY18 Allocation:	\$2,353,000	-	-	\$2,353,000
FY19 Allocation:	\$2,500,000	-	-	\$2,500,000
FY20 Budget:	\$0	-	-	-
Total Allocations to Date:				\$10,378,000
Remaining Balance:				\$1,799,622,000
Remaining Balance Change From Last Meeting:				Not previously reported

	First Cost	Fully Funded
Original Authorized Cost:	\$2.69B	\$3.14B
Revised Project Cost¹	\$1.55B	\$1.81B

1. Total Project Cost updated – January 2019. Value Engineering Study recommendations included in cost update reducing TPC from \$3.1B to \$1.8B (fully funded).
2. Last IWUB reported \$1.55B which was the “first cost”, not the “fully funded” cost.

Next Steps

- **Complete the Economic Re-Evaluation Report**

Current Status of the Project

- **Not in FY 2020 President’s budget**
- **Design work started on Montgomery**
- **Continuing Economic Re-Evaluation**

Upper Ohio - Discussion

- GI-PED Funding will not support an efficient construction schedule
- Funding from the Construction General account is likely to be more efficient than staying in GI-PED even considering other Inland Waterway priorities.
- The Upper Ohio Project could be in position to award first construction contract in late FY2020
- The Upper Ohio Project could be in position to award the Montgomery Locks contract in FY2022
- Economic re-analysis not yet completed
- Risks
 - Facility failure occurs while waiting for funds
 - Facility failure occurs while under construction
 - Other IWTF priorities
 - Economics

Upper Ohio – Funding Profile to Support Efficient Construction

FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
\$40M	\$43M	\$84M	\$225M	\$355M	\$461M	\$331M	\$1,554M

Profile Assumptions/Comments:

1. All project sites will be designed and built concurrently.
2. Funding profile is based on Project First cost, not the Fully Funded cost.
3. Unlikely to achieve this level of funding under current constraints.